



CALIFORNIA STATE
PUBLIC WORKS BOARD

EDMUND G. BROWN JR. • GOVERNOR

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STATE PUBLIC WORKS BOARD
December 13, 2013

MINUTES

PRESENT:

Ms. Eraina Ortega, Chief Deputy Director, Department of Finance
Mr. Esteban Almanza, Chief Deputy Director, Department of General Services
Mr. Malcolm Dougherty, Director, Department of Transportation
Mr. John Chiang, State Controller
Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

CALL TO ORDER AND ROLL CALL:

Ms. Eraina Ortega, Chairperson of the Board called the meeting to order at 10:00 a.m.
Ms. Aurelia Bethea, Executive Assistant for the Board, called the roll. A quorum was established.

Ms. Ortega stated the first order of business was the three bond items, which if the resolutions are adopted would authorize interim financing for three separate jail projects.

Bond Item #1: This item was for the Department of Corrections and Rehabilitation's, Madera County Jail Project. Mr. Rogers informed the Board if approved, authorizes adoption of a resolution to: (1) authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds; (2) authorize the sale of lease revenue bonds; (3) authorize the execution of a Project Delivery and Construction Agreement between Madera County, CDCR, the Board of State and Community Corrections, and the Board; and (4) approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds. The total authorized project cost is \$3,164,000 and the state's authorized share of the project cost is \$3,000,000.

Staff recommended adoption of the resolution.

There were no questions or comments from the Board or the public.

A motion was made by Mr. Dougherty and seconded by Mr. Almanza to approve Bond Item #1.

Ms. Bethea called a roll:

Ayes

Ms. Eraina Ortega, Chief Deputy Director, Department of Finance

Mr. Esteban Almanza, Chief Deputy Director, Department of General Services

Mr. Malcolm Dougherty, Director, Department of Transportation

Mr. John Chiang, State Controller

Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

Noes

None

Bond Item #1 was approved by a 5-0 vote.

Bond Item #2: This item was for the Department of Corrections and Rehabilitation's, Stanislaus County Jail Project. Mr. Rogers stated the proposed action if approved, would adopt a resolution to: (1) authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds; (2) authorize the sale of lease revenue bonds; (3) authorize the execution of a Project Delivery and Construction Agreement between Stanislaus County, CDCR, the Board of State and Community Corrections, and the Board; and (4) approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds. The state's share of this authorized project is \$80,000,000.

Staff recommended adoption of the resolution.

Mr. Dougherty noted the item was not within cost asking if it was just slightly out of budget.

Mr. Stephen Benson, Deputy Director for the Board, stated the estimate has gone up: however, the state's share is fixed and will not change.

There were no further comments or question from the Board or from the public.

A motion was made by Mr. Fowler and seconded by Mr. Almanza to approve Bond Item #2.

Ms. Bethea called a roll:

Ayes

Ms. Eraina Ortega, Chief Deputy Director, Department of Finance

Mr. Esteban Almanza, Chief Deputy Director, Department of General Services

Mr. Malcolm Dougherty, Director, Department of Transportation

Mr. John Chiang, State Controller

Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

Noes

None

Bond Item #2 was approved by a 5-0 vote.

Bond Item #3: This Item was for the Department of Corrections and Rehabilitation's, Tulare County Jail. Mr. Rogers reported if approved, the proposed action would adopt a resolution to: (1) authorize actions to be taken to provide for interim financing and declare the official intent of the Board to reimburse certain capital expenditures from the Public Buildings Construction Fund from the proceeds of the sale of bonds; (2) authorize the sale of lease revenue bonds; (3) authorize the execution of a Project Delivery and Construction Agreement between Tulare County, CDCR, the Board of State and Community Corrections, and the Board; and (4) approve other related actions in connection with the authorization, issuance, sale, and delivery of said revenue bonds. The state's share of this authorized project is \$60,000,000.

Staff recommended adoption of the resolution.

There were no comments or question from the Board or from the public.

A motion was made by Mr. Dougherty and seconded by Mr. Chiang to approve Bond Item #3.

Ms. Bethea called a roll:

Ayes

Ms. Eraina Ortega, Chief Deputy Director, Department of Finance

Mr. Esteban Almanza, Chief Deputy Director, Department of General Services

Mr. Malcolm Dougherty, Director, Department of Transportation

Mr. John Chiang, State Controller

Mr. Blake Fowler, Director, Public Finance Division, State Treasurer's Office

Noes

None

Bond Item #3 was approved by a 5-0 vote.

The Chair thanked the Controller and Mr. Fowler for attending today's meeting.

The next order of business was approval and adoption of the minutes from the November 1, and November 8, 2013 meetings. Mr. Rogers reported that staff had reviewed the minutes and recommend approval and adoption of the minutes.

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve and adopt the minutes from the November 1, and November 8, 2013 meetings.

The minutes were approved by a 3-0 vote.

CONSENT ITEMS:

The next order of business was the Consent Calendar. Mr. Rogers informed the Board that the Consent Calendar consisted of items 1 through 13. In summary, these items propose:

- 1 request to approve preliminary plans [Item 1]
- 2 requests to approve site selection [Items 2, 5]
- 1 request to authorize acquisition [Item 3]
- 1 request to recognize a scope change [item 4]
- 1 request to establish scope, cost and schedule [item 6]

- 4 requests to approve preliminary plans, recognize revised project costs and approve the use of inmate/ward labor [Items 7, 8, 9, 10]
- 1 request to approve performance criteria and concept drawings and recognize revised project costs [Item 11]
- 1 requests to approve preliminary plans, recognize revised project costs and approve a reversion [Item 12]
- 1 request to authorize the acquisition of real property through the acceptance of a no-cost acquisition [Item 13]

Staff recommended approval of the Consent calendar Items 1 through 13. There were no questions or comments from the Board or the public.

A motion was made by Mr. Dougherty and seconded by Mr. Almanza to approve Consent Calendar Items 1 through 13.

The Consent Items were approved by a 3-0 vote.

ACTION ITEMS:

Action Item #1: Mr. Brian Dewey, Deputy Director for the Board, reported, if approved, this item would authorize acquisition of five (5) parcels of real property located within Exposition Park totaling approximately 1.9 acres. As part of the acquisition and settlement agreement between the District and Commission, the transfer of the parcels and associated monetary waivers are intended to settle claims between the District and the Commission. Staff recommended authorizing the acquisition as part of the settlement agreement.

There were no questions or comments from the Board or the public.

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to adopt the staff recommendation and approve Action Item #1.

Action Item #1 was approved by a 3-0 vote.

Action Items #2 & #3: Mr. Benson informed the Board these items were presented as action items as both would recognize scope changes to the respective projects and the required 20-day legislative review period had not yet expired. The scope changes to the two projects were substantively the same; therefore, legislative notification for both projects was contained in a single letter sent on November 25, 2013. The 20-day legislative review period expires on the Monday following the meeting (December 16, 2013).

Action Item #2: If approved, would recognize a scope change and revised project costs for the health care facility improvement project at Folsom State Prison (FSP), contingent upon expiration of the 20-day legislative review period, December 16, 2013. The estimated project cost reduction associated with the removal of the health records renovation sub-project from the scope is \$1,516,000, resulting in a new total estimated project cost of \$51,933,000. Staff recommended recognizing the scope change and revised project costs contingent upon expiration of the 20-day legislative review period.

Mr. Dougherty asked for confirmation that it is appropriate for the Board to take action at this meeting knowing that the legislative review period does not expire until

December 16, 2013. Mr. Benson explained as long as the approval is contingent on the notice expiring without adverse comments it is consistent with Board policy. If the Legislature has any opposition or concerns the action would not go forward.

There were no further questions or comments from the Board or the public.

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve the staff recommendation for Action Item #2.

Action Item #2 was approved by a 3-0 vote.

Action Item #3: If approved, would recognize a scope change and revised project costs, and approve preliminary plans and the use of inmate/ward labor for the health care facility improvement project at California State Prison, Sacramento (SAC), contingent upon expiration of the 20-day legislative review period. The estimated project cost reduction associated with the removal of the health record renovation sub-project from the scope, as well as additional cost reductions identified during the development of preliminary plans, was \$4,639,000, resulting in a new total estimated project cost of \$48,363,000. Staff recommended recognizing the scope change and revised project costs, and approving preliminary plans and the use of inmate/ward labor contingent upon expiration of the 20-day legislative review period, which would be December 16, 2013.

There were no questions or comments from the Board or Public.

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve the staff recommendation for Action Item #3.

Action Item #3 was approved by a 3-0 vote.

Action Item #4: If approved, would adopt a resolution to approve the forms of various agreements as outlined in the resolution and upon the satisfaction of specified conditions delegate the authority to execute or consent to the execution of said agreements, as applicable. The intent of this item is to help the counties and Board Staff expedite projects 14 - 30 days by not having to bring them before the Board. Staff recommended adoption of the staff recommendations.

There were no questions or comments from the Board or Public.

A motion was made by Mr. Dougherty and seconded by Mr. Almanza to approve the staff recommendation for Action Item #4.

Action Item #4 was approved by a 3-0 vote.

Action Item #5 was pulled at the request of the High Speed Rail Authority.

Action Item #6: Mr. Rogers stated adoption of a Resolution of Necessity would authorize the use of eminent domain to acquire approximately 2.49 acres located at 2222 G Street in the City of Fresno. This property is needed to construct a bore pit as part of the initial construction of the proposed "Roeding trench" which will provide a High Speed Rail alignment that goes underneath an elevated segment of State Route 180. Excavation of the pit will allow the trench to be bored from the property being acquired. A Notice of Intent

Letter was sent to the owner on November 20, 2013, and no objection was received by the specified date.

Joann Georgallis, legal counsel of the Board on these matters, presented the Resolution of Necessity and stated the Resolution complies with the California Eminent Domain Law in that it (1) states the public use for which the property is to be acquired (High-speed train system); (2) describes the property and its location; (3) declares the Board's findings as required by Code of Civil Procedure section 1245.230; and (4) references the acquisition of an uneconomic remnant. Mr. Frank Oliveira, chairman of the Citizens for California High Speed Rail Accountability voiced this group's opposition to the use of eminent domain concerning this property. Mr. Dougherty asked if this property received environmental clearance through the first segment of the project and what would happen in the event the property would no longer be needed. Ms. Georgallis explained the property did receive environmental clearance. She also stated that if the property is not used for the subject project the Board may adopt a reauthorization resolution or the Property may be sold back to the owner.

Staff recommended adopting the Resolution of Necessity authorizing the use of eminent domain to acquire approximately 2.49 acres located at 2222 G Street in the City of Fresno. There were no further questions from the Board or Public.

A motion was made by Mr. Almanza and seconded by Mr. Dougherty to approve the staff recommendation for Action Item #6.

Action Item #6 was approved by a 3-0 vote.

RERPORTABLES:

Mr. Rogers informed the Board there were three Reportables this month:

- Department of Transportation, Eureka District 1 Office Renovations, Humboldt County
 - Approve an augmentation
 - \$433,000
 - (4.4 Percent of total project)
 - (8.7 Percent cumulative)
- Department of Parks and Recreation Herber Dunes State Vehicular Recreation Area, Imperial County
 - Approve augmentation
 - \$474,000
 - (9.1 Percent of total project cost)
- California Community Colleges, El Camino Community College Compton Center, Los Angeles County
 - Approve a reversion of project savings
 - \$4,566,000

NEXT MEETING:

Ms. Ortega stated the Boards next regularly scheduled meeting is **January 13, 2013 at 10:00 am, at the State Capitol, in Room 113.**

The meeting was adjourned at 10:39 a.m.